



Department of Justice

FOR IMMEDIATE RELEASE
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JUSTICE DEPARTMENT AND STATE OF FLORIDA
SETTLE SOLID WASTE DISPOSAL ACQUISITION

WASHINGTON, D.C. -- Waste Management Inc. of Florida and Reuter Recycling of Florida Inc. reached a settlement today with the Department of Justice and the State of Florida that will allow the two companies to merge as long as they agree to keep a waste transfer station that Waste Management will acquire as part of the deal open to other waste disposal competitors. The Department said it believes the restructured deal could result in lower prices and higher quality waste disposal service in southern Florida.

In a joint antitrust action, the Department of Justice and the State of Florida filed an antitrust suit in U.S. District Court in Washington, D.C., against Waste Management and Reuter Recycling alleging that the deal as originally proposed would lessen competition in the market for municipal solid waste disposal service in Broward and Dade Counties, by removing one of only three competitors from the market.

At the same time, the Department's Antitrust Division filed a proposed settlement, that if approved by the court, would settle the suit and preserve competition in southern Florida's municipal solid waste disposal service market.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said, "Unchecked, this transaction would have resulted in higher prices and lower quality for consumers of municipal waste disposal services. This settlement will preserve the competition that would have been lost and protect the consumers in Dade and Broward Counties."

The Department of Justice said the settlement assures that access to the transfer station will continue to be available to a competitor, Chambers Waste Systems of Florida Inc. for up to five years, on terms that are equivalent to those that would have existed prior to the acquisition. The proposed settlement prevents Waste Management of Florida from interfering with Chambers' ability to operate a portion of the transfer station independently.

Municipal solid waste disposal service is the final disposal of waste in a landfill or incineration facility. Transfer stations enable competitors to offer municipal solid waste disposal services to customers in Dade and Broward Counties, even where they do not have a local landfill or incineration facility.

In addition, the proposed settlement requires Waste Management to make real estate available to Chambers upon which it can construct its own transfer station, giving Chambers an option to purchase that real estate within the next five years.

The final judgment also prohibits Waste Management from interfering with Chambers' attempts to obtain any necessary government approvals for a transfer station and obligates Waste Management to assist Chambers to obtain such approvals on the optioned real estate.

The investigation that resulted in the suit and settlement was conducted jointly by staff from the office of Florida Attorney General Robert A. Butterworth and the Justice Department's Antitrust Division.

Bingaman said, "This settlement demonstrates that our program of conducting joint investigations with offices of the states' Attorneys General is a success. Our staffs are pooling resources to conduct these investigations with great efficiency."

This is the fifth case in which the Antitrust Division and a state Attorney General's office have jointly acted to prosecute a civil antitrust case since May 1994.

As required by the Tunney Act, the proposed settlement will be published in the Federal Register, along with the Department's competitive impact statement. Any person may submit written comments concerning the proposed decree during a 60-day comment period to Anthony V. Nanni, Chief, Litigation I Section, Antitrust Division, U.S. Department of Justice, 1401 H St., N.W., Suite 4000, Washington, D.C. 20530 (202/307-6576).

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